

**BUDGET ADVISORY COMMITTEE MEETING
DAVIE TOWN HALL
6591 ORANGE DRIVE
JANUARY 22, 2007**

MEMBERS PRESENT

Dr. Robert Preziosi, Chair
Scott Spages, Vice Chair
Dan Barr
David Oakes
Harry Venis

ALSO PRESENT

Tom Truex, Mayor
William Underwood, Director of Budget and Finance

1. ROLL CALL

Chair Preziosi called the meeting to order at 5:35 p.m. Following the Roll Call, it was determined that a quorum was present.

2. APPROVAL OF MINUTES - December 18, 2006

Motion made by Mr. Spages, seconded by Mr. Venis, to accept the December 18, 2006 minutes as presented. In a voice vote, the motion was unanimously approved.

3.1 OLD BUSINESS - Annual Report - January 31, 2006

An electronic copy of the Annual Report for January 31, 2006 will be sent to the Town Council.

4.1 NEW BUSINESS

Mayor Tom Truex addressed the Board presenting the following items for consideration.

A. Process of Budget Preparation

Mayor Truex stated the timing of the Budget had been lacking in previous years and last year finalization of the Budget occurred three days after the deadline.

All parties involved in the budget process realized work on the budget must begin sooner, and Mayor Truex hoped that the Budget Advisory Committee would be involved in the process. Mayor Truex stated the Capital Outlay Budget spanned 5 years and the General Budget only encompassed one year. It was suggested to discuss and consider preparing a General Budget for more than one year. Year one would be locked in and future years would be flexible to some extent, but the 5 years time span would provide a better financial overview for the remaining years.

B. Big Ticket Items - Annexation

Mayor Truex informed the Board the only active annexation looming was Broadview Park. The annexation a few years back had the Town on the verge of financial hardship. The project, as originally proposed would have cost the Town several million dollars for numerous years. The Town must keep a watchful eye on the project; no bill has been filed with the Legislature for the project this session, and the County had promised some assistance but that has not materialized.

C. Re-Zoning and Lack of Planning Tools

Mayor Truex stated when he started on the Town Council; the main priority was for planning tools, a computer model, and studies to predict how certain types of development would impact the Town. These planning tools were geared on a monetary basis only. Much work was done on the computer model but the plan died over time, and for all the money spent on the project, "not ten cents worth of salt ever came out of it." A Board member stated another Planning Tool utilized, subsequent to the original computer model, was in progress, and seemed to be a better planning tool. Mayor Truex stated he thought the present planning tool had been abandoned, although it was noted that the model was available, but there are levels of assumptions to be made and decisions on cost per square foot of commercial and residential buildings.

D. Property Values

Mayor Truex stated everyone assumed property values would continually increase, but he felt the Board should be aware that that trend has discontinued.

E. Personnel

Mayor Truex felt the biggest category of expense for the Town is personnel, although efforts are made to keep pace with other municipalities. Mayor Truex stated he did not know how to solve the problem, but felt the Board should be aware of the fact.

F. Small Items - Credit Cards, Micro-management

Mayor Truex explained that too much time was expounded on a few small items, one being credit cards. He stated that the cards could be used to save the Town money and they provided a way of tracking purchases, but the problem area was lack of detail on particular purchases. It was noted that there has been a program instituted that would report and detail daily purchases.

Mayor Truex briefly spoke on micro-management and stated trust needed to be restored between elected officials and personnel. Resolving items such as financial procedures, certain questionable items need to be closed, and the annuity problem needs to be resolved.

G. Car Policy

Mayor Truex addressed the car policy and stated there was a perception that some people considered it a benefit, it would be difficult to remove and should be transitioned slowly to minimize any adverse impact.

Mr. Oakes stated the most important item to consider is where the Town is headed and how to develop a financial business model plan, the direction to follow with property revenues, demographics of the Town, plans for redevelopment, and how all those factors fit together. The Board must refine their efforts to put the plan together for implementation.

It was suggested that Gary Shimun attend next month's meeting and a list of items should be prepared to present to him, as many items discussed have been dealt with for more than a year. Certain items the Mayor spoke about go back years. There is no long term plan for the Town's Government buildings, particularly what facilities are needed, how many fire stations, and how many square feet. A study is needed. The time line and calendar for the budget process needs to be followed. The suggestion for considering a 3-5 year General Budget should be adopted. There needs to be a pro-active rather than re-active

attitude towards Broadview Park. Planning can not go forward without a vision and a plan. Property taxes also need to be addressed as the rate of bankruptcy and foreclosures are at an all time high.

Mr. Venis inquired about the financial shortfall on the annexation of Broadview Park, and was advised it would be approximately \$6,000,000. It was proposed that Town not be involved in Broadview Park and a resolution should be made stating they had no interest, as the more logical places for annexation of Broadview Park would be the cities of Plantation or Fort Lauderdale. It was further suggested that they review a physical analysis of the annexation plan for Broadview Park in making their recommendation to the Council. The Board agreed the report should be available at the next meeting.

Chair Preziosi informed Mayor Truex he felt the Board had no recourse available in regard to the property value issue, unless Mayor Truex had something specific for them to address. Mayor Truex explained the main items of the budget were income and expense and some items did not need an increase each year. Chair Preziosi inquired if the personnel budget was referred to and Mayor Truex replied yes, increases are not necessary every year and the account is difficult to manage. Chair Preziosi stated radical action should be taken and instead of large pension plans, payment should be made now in salaries to personnel stating that the Town's liability increases as the pension plans continue and it would be much easier to control the funds if they are paid now.

As the Fire and Police Departments feel they are understaffed, it was proposed that a representative of the Board attend union negotiation meetings.

4.2 VEHICLE USAGE POLICY

Chair Preziosi stated not all members had reviewed the vehicle policy and the item would be tabled until the next meeting. In comparing the vehicle usage policy with other municipalities, it was reported that the Town is comparable to some and not to others.

4.3 FY 2008 BUDGET CALENDAR

Motion made by Mr. Oakes, and duly seconded for the Town Council to instruct the Finance Director and Town Administrator to start a Budget Process for two years at the minimum and five years maximum. In a voice vote, the motion

passed unanimously.

5. COMMENTS OR SUGGESTIONS

Chair Preziosi welcomed Mr. Venis to the Board.

6. ADJOURNMENT

With no further business to discuss, the meeting adjourned at 6:30 p.m.

Date approved

Chair/Committee Member